

OPERATING BUDGET SUMMARY

The following schedule and pie charts best illustrate the city's resources and the application of those resources. The first schedule shows a breakdown of the total revenues estimated for FY 2004/05 with cash reserves utilized to balance revenues with expenditures. The bottom schedule shows a breakdown of the city's total appropriated budget (excluding intergovernmental transfers) and where the money is spent. This presents the data by the four major programs and debt service. The largest expenditures fall in the public works, general government and public safety categories.

The first graph on page 16 describes each revenue source as shown on the previous schedule. Gross receipts taxes continue to be the major revenue source, representing approximately 24% of the total estimate. This represents a decrease of about 12% in the proportion of the budget supported by gross receipts.

The second graph on page 17 shows a breakdown of city expenditures. As may be expected with a service-type organization, personnel services and contractual services expenses represent the largest costs, consuming over 50% of the total budget. Debt service and ongoing construction (works in progress) also represent a large share of the total, comprising approximately 24% of total appropriations.

WHERE THE CITY GETS ITS MONEY

TOTAL ESTIMATED RESOURCES FISCAL YEAR 2004-05			
TAXES		FINES, LICENSES & PERMITS	
Gross Receipts	\$ 76,899,644	Fines & Forfeitures	892,474
Property	1,765,000	Licenses & Permits	2,688,401
Lodgers	6,769,200		
Franchise	2,369,500		3,580,875
Other	1,424,500		
	89,227,844	OTHER	
		Rents/Royalties/Concessions	1,028,721
INTERGOVERNMENTAL		Interest Income	3,383,462
Federal Grants	9,540,115	Misc. Revenue	725,123
State Grants	6,744,379	Cash Reserves	3,202,944
Other Grants	4,535,930		8,340,250
	20,820,424		
USER FEES		TOTAL ESTIMATED	
Current Services	81,620,630	RESOURCES	\$ 203,590,023

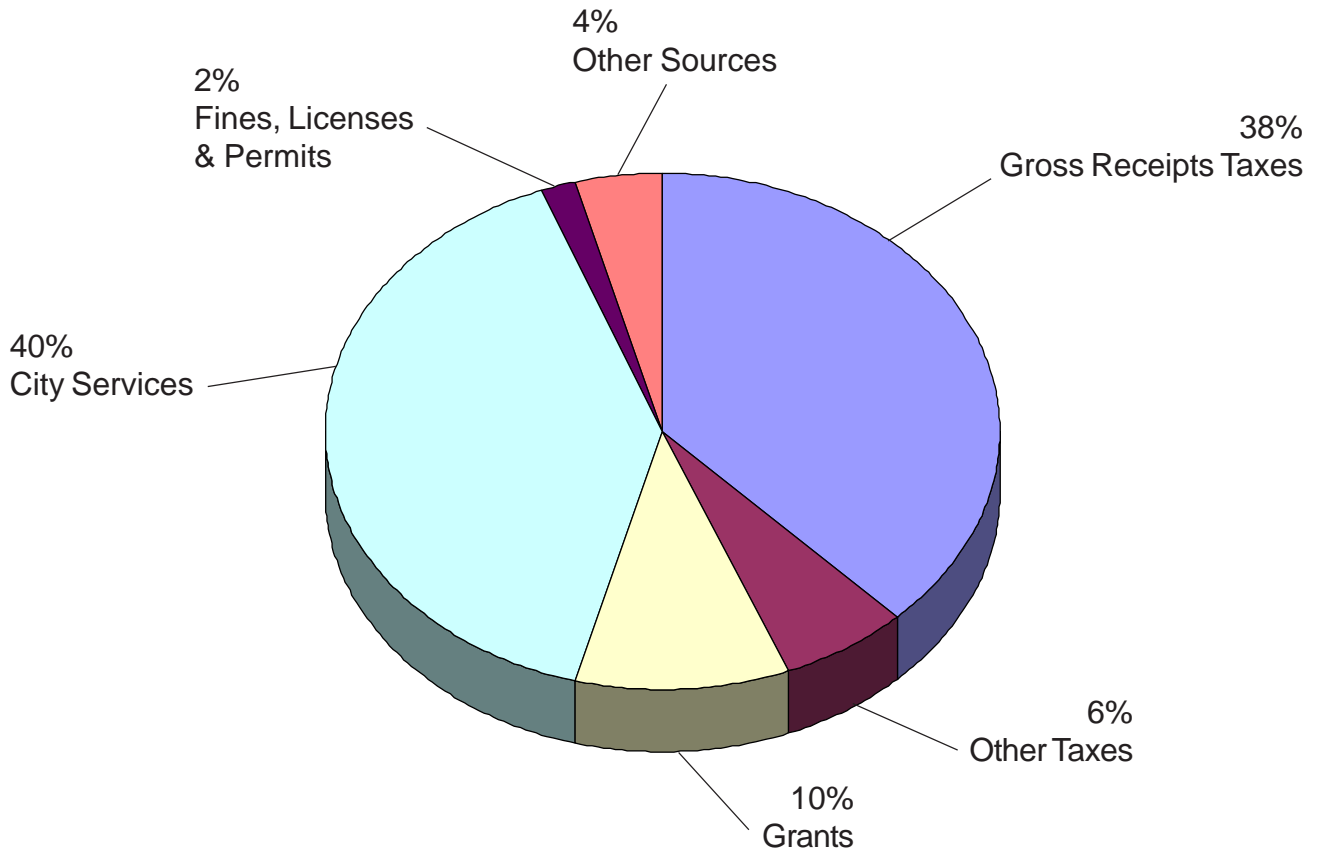
HOW THE CITY SPENDS ITS MONEY

TOTAL APPROPRIATIONS FISCAL YEAR 2004-05			
GOVERNMENT/MANAGEMENT - \$ 36,185,519		COMMUNITY WELFARE - 31,361,244	
General Government, Mayor/Council, City Manager, City Clerk, Convention & Visitors Bureau, City Attorney, Municipal Court		Community Development, Senior Citizens, Library, Arts Commission, Parks & Recreation, Municipal Recreation Complex, Genoveva Chavez Community Center	
PUBLIC SAFETY - 37,777,683		DEBT SERVICE - 23,868,989	
Police, Fire, Planning & Land Use, Safety Services		Principal & Interest, Long Term Debt	
PUBLIC WORKS - 74,396,588			
Public Utilities, Water & Waste Water Operations, Street Maintenance, Traffic, Parking, Bus Transit, Aviation & Solid Waste Management			
		TOTAL APPROPRIATIONS	\$ 203,590,023



TOTAL ESTIMATED RESOURCES

Fiscal Year 2004-2005

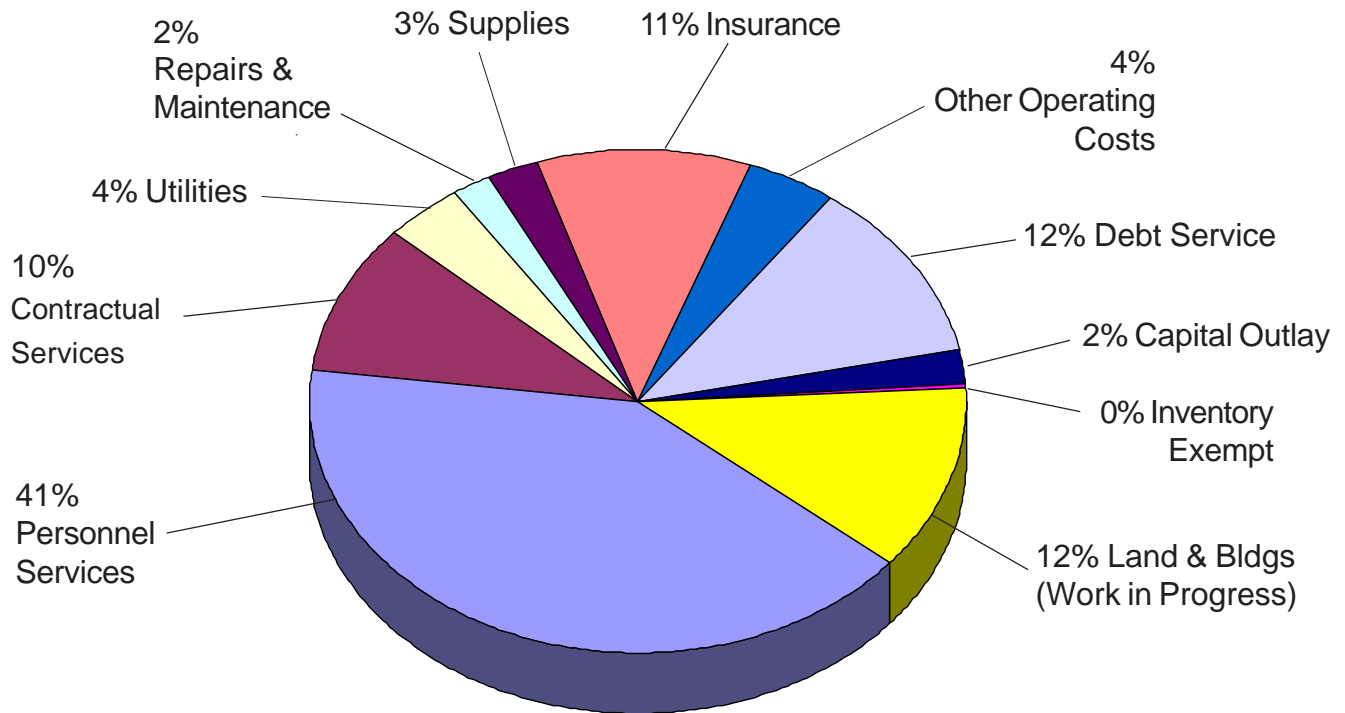


Gross Receipts Taxes	\$76,899,644
Other Taxes	12,328,200
Grants	20,820,424
City Services	81,620,630
Fines, Licenses & Permits	3,580,875
Other Sources	8,340,250
Total	\$203,590,023



TOTAL APPROPRIATIONS

Fiscal Year 2004-2005



Personnel Services	\$ 83,280,979
Contractual Services	19,496,237
Utilities	7,975,764
Repairs and Maintenance	3,788,959
Supplies	5,550,108
Insurance	21,487,278
Other Operating Costs	8,631,529
Debt Service	23,829,641
Capital Outlay	4,648,925
Inventory Exempt Purchases	470,339
Land & Bldgs (Work in Progress)	24,430,264
TOTAL	\$203,590,023

GENERAL FUND HISTORY AND PROJECTIONS: BASIS AND ASSUMPTIONS

The graph on the following page shows the history and projected future status of the City of Santa Fe's General Fund in terms of total expenditures, total revenues and ending cash balance (reserves). This presentation was created based on the following assumptions and methods:

1. The amounts shown for total expenditures, total revenues and cash balance from fiscal year (FY) 1998/1999 through FY 2003/2004 are based on actual appropriations spent and revenues received by the last day of each given fiscal year.
2. Total expenditures, revenues and cash balance projections for FY 2004/2005 are based on the FY 2004/2005 Annual Budget approved by the City Council on May 26, 2004 and certified by the New Mexico Department of Finance and Administration (DFA).
3. Portions of the revenue projections for FY 2005/2006 through FY 2007/2008, including estimates of income from fees & services, licenses & permits and transfers in, are based on Council-approved 2004/2005 budget levels. All other revenue components are projected based on trends in actual revenues over the study period.
4. The portion of projected appropriations for FY 2005/2006 through FY 2007/2008 allocated to personnel salaries and benefits reflects the most recent pay plan as approved by the City's unions and the City Council. The amounts shown also take into account the living wage ordinance and significant projected increases in employee health insurance and retiree health care costs.
5. Portions of the expenditure projections for FY 2005/2006 through FY 2007/2008, including estimated appropriations for contractual services, utilities, repairs and maintenance, supplies, insurance and other operating costs (including transfers), are based on Council-approved 2004/2005 budget levels. All other expenditures are projected based on trends in actual appropriations over the study period.
6. In most cases, future projections of expenditures and revenues are based on a weighted averaging system that places greater emphasis on more recent income and spending trends. In some cases, however, such a system is of less value; for example, in projecting future capital outlays, a simple average of previous years is used due to the historic volatility of this expenditure type.
7. Based on these projections, General Fund cash balance reserves may be nearly depleted by the end of the projected period (FY 2007/2008) unless adjustments are made to future operating budgets in order to maintain the State-mandated minimum reserve level of 8% of total appropriations.



GENERAL FUND HISTORY & PROJECTIONS

Fiscal Year 1998-99 through Fiscal Year 2007-2008

